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FOR IMMEDIATE RELEASE**

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ELLICOTT CITY MAN CONVICTED OF ARSON AND MONEY LAUNDERING

Baltimore, Maryland - Thomas M. DiBiagio, United States Attorney for the District of Maryland, announced that yesterday a federal jury convicted Mahendra Harilal Shah, age 59, of Ellicott City, Maryland, of numerous mail and wire fraud violations, money laundering, two counts of arson and the use of fire to commit a felony. The jury also ordered Shah to forfeit \$200,000 which Shah had collected from his insurer for fraudulent water damage claims.

The charges arose from a number of insurance claims made by Shah to Travelers Indemnity Company for damages caused by fire or water to his property located at 641-661 South Monroe Street, Baltimore, Maryland, otherwise known as the Shah Industrial Park. Shah was convicted of setting fire to the industrial park on January 6, 2001, which destroyed the complex. According to trial testimony, forensic analysis conducted by fire and police departments determined that there were two points of origin of the fire in separate buildings within the complex and petroleum-based accelerates were used to ignite the blaze. The fire tied up approximately one-half of Baltimore City's Fire Department and emergency response personnel

and equipment for many hours. Shah sought to collect in excess of \$3 million dollars in insurance proceeds from Travelers to recover for the loss.

“We intend to continue to aggressively pursue financial crimes, and as part of the prosecution we will seek to deny criminals their ill-gotten gains with aggressive forfeiture actions,” stated United States Attorney Thomas M. DiBiagio.

No sentencing date has been set. Shah faces a maximum sentence of 20 years on the arson charges; 5 years on each of the mail and wire fraud counts; 10 years for the use of fire to commit a felony, consecutive to any other sentence; and 10 years on each of the money laundering counts.

The criminal charges in the indictment are the result of a joint investigation coordinated by the Bureau of Alcohol, Tobacco, Firearms and Explosives; the Internal Revenue Service - Criminal Investigation Division; the Baltimore City Police Department; the Baltimore City Fire Department and the United States Attorney’s Office. The case is being prosecuted by Assistant U.S. Attorneys Barbara S. Sale and James G. Warwick.